



PROPERTY AND CASUALTY COMPANIES - ASSOCIATION EDITION

QUARTERLY STATEMENT

AS OF JUNE 30, 2009

OF THE CONDITION AND AFFAIRS OF THE

Unitrin Direct Insurance Company

NAIC Group Code 0215 (Current) 0215 (Prior) NAIC Company Code 10226 Employer's ID Number 36-4013825

Organized under the Laws of Illinois, State of Domicile or Port of Entry IL

Country of Domicile United States of America

Incorporated/Organized 03/21/1995 Commenced Business 04/20/1995

Statutory Home Office One East Wacker Drive (Street and Number) Chicago, IL 60601 (City or Town, State and Zip Code)

Main Administrative Office One East Wacker Drive (Street and Number) Chicago, IL 60601 (City or Town, State and Zip Code) 760-599-4700 (Area Code) (Telephone Number)

Mail Address One East Wacker Drive (Street and Number or P.O. Box) Chicago, IL 60601 (City or Town, State and Zip Code)

Primary Location of Books and Records One East Wacker Drive (Street and Number) Chicago, IL 60601 (City or Town, State and Zip Code) 312-661-4600 (Area Code) (Telephone Number)

Internet Web Site Address www.unitrindirect.com

Statutory Statement Contact Robert Allen Lindgren (Name) 760-596-4696 (Area Code) (Telephone Number) rlindgren@unitrindirect.com (E-mail Address) 760-597-6585 (FAX Number) (FAX Number)

OFFICERS

President James Allen Schulte Treasurer Clark Hubbard Roberts

Senior Vice President David Michael Elkins Secretary Margaret Lorraine O'Hara

OTHER

Timothy Douglas Bruns, Executive Vice President Donald Gene Southwell, Chairman of the Board

DIRECTORS OR TRUSTEES

Francis Joseph Sodaro # James Allen Schulte Eric John Draut

Richard (NMI) Roeske Donald Gene Southwell

State of Florida SS:

County of Duval

The officers of this reporting entity being duly sworn, each depose and say that they are the described officers of said reporting entity, and that on the reporting period stated above, all of the herein described assets were the absolute property of the said reporting entity, free and clear from any liens or claims thereon, except as herein stated, and that this statement, together with related exhibits, schedules and explanations therein contained, annexed or referred to, is a full and true statement of all the assets and liabilities and of the condition and affairs of the said reporting entity as of the reporting period stated above, and of its income and deductions therefrom for the period ended, and have been completed in accordance with the NAIC Annual Statement Instructions and Accounting Practices and Procedures manual except to the extent that: (1) state law may differ; or, (2) that state rules or regulations require differences in reporting not related to accounting practices and procedures, according to the best of their information, knowledge and belief, respectively. Furthermore, the scope of this attestation by the described officers also includes the related corresponding electronic filing with the NAIC, when required, that is an exact copy (except for formatting differences due to electronic filing) of the enclosed statement. The electronic filing may be requested by various regulators in lieu of or in addition to the enclosed statement.

James Allen Schulte President Clark Hubbard Roberts Treasurer Margaret Lorraine O'Hara Secretary

Subscribed and sworn to before me this August, 2009 day of

a. Is this an original filing? Yes [X] No []

b. If no, 1. State the amendment number..... 2. Date filed 3. Number of pages attached.....

ASSETS

	Current Statement Date			4 December 31 Prior Year Net Admitted Assets
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	
1. Bonds	13,678,629		13,678,629	8,306,181
2. Stocks:				
2.1 Preferred stocks				
2.2 Common stocks				
3. Mortgage loans on real estate:				
3.1 First liens				
3.2 Other than first liens.....				
4. Real estate:				
4.1 Properties occupied by the company (less \$ encumbrances)				
4.2 Properties held for the production of income (less \$ encumbrances)				
4.3 Properties held for sale (less \$ encumbrances)				
5. Cash (\$2,301,690), cash equivalents (\$2,299,993) and short-term investments (\$)	4,601,683		4,601,683	5,468,505
6. Contract loans (including \$ premium notes)				
7. Other invested assets				
8. Receivables for securities				
9. Aggregate write-ins for invested assets				
10. Subtotals, cash and invested assets (Lines 1 to 9)	18,280,311		18,280,311	13,774,686
11. Title plants less \$ charged off (for Title insurers only)				
12. Investment income due and accrued	222,797		222,797	142,326
13. Premiums and considerations:				
13.1 Uncollected premiums and agents' balances in the course of collection	4,477,227	311,703	4,165,525	5,080,182
13.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$ earned but unbilled premiums)	6,106,256		6,106,256	8,127,834
13.3 Accrued retrospective premiums				
14. Reinsurance:				
14.1 Amounts recoverable from reinsurers				
14.2 Funds held by or deposited with reinsured companies				
14.3 Other amounts receivable under reinsurance contracts				
15. Amounts receivable relating to uninsured plans				
16.1 Current federal and foreign income tax recoverable and interest thereon	702,993		702,993	838,388
16.2 Net deferred tax asset	3,003,815	2,503,028	500,786	500,842
17. Guaranty funds receivable or on deposit				
18. Electronic data processing equipment and software	2,167,258	1,755,901	411,357	353,687
19. Furniture and equipment, including health care delivery assets (\$)	1,527,682	1,527,682		
20. Net adjustment in assets and liabilities due to foreign exchange rates				
21. Receivables from parent, subsidiaries and affiliates	2,340,984		2,340,984	8,243,642
22. Health care (\$) and other amounts receivable				
23. Aggregate write-ins for other than invested assets	910,980	615,650	295,330	125,907
24. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 10 to 23)	39,740,303	6,713,964	33,026,339	37,187,494
25. From Separate Accounts, Segregated Accounts and Protected Cell Accounts				
26. Total (Lines 24 and 25)	39,740,303	6,713,964	33,026,339	37,187,494
DETAILS OF WRITE-INS				
0901.				
0902.				
0903.				
0998. Summary of remaining write-ins for Line 9 from overflow page				
0999. Totals (Lines 0901 through 0903 plus 0998)(Line 9 above)				
2301. Other assets	8,184		8,184	125,907
2302. Premium tax receivable	287,146		287,146	
2303. Prepaid expenses	615,650	615,650		
2398. Summary of remaining write-ins for Line 23 from overflow page				
2399. Totals (Lines 2301 through 2303 plus 2398)(Line 23 above)	910,980	615,650	295,330	125,907

STATEMENT AS OF JUNE 30, 2009 OF THE Unitrin Direct Insurance Company

LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Statement Date	2 December 31, Prior Year
1. Losses (current accident year \$1,322,716)	3,707,998	3,815,912
2. Reinsurance payable on paid losses and loss adjustment expenses		
3. Loss adjustment expenses	680,789	679,935
4. Commissions payable, contingent commissions and other similar charges		
5. Other expenses (excluding taxes, licenses and fees)	1,828,479	4,996,736
6. Taxes, licenses and fees (excluding federal and foreign income taxes)	6,537	45,282
7.1 Current federal and foreign income taxes (including \$ on realized capital gains (losses))		
7.2 Net deferred tax liability		
8. Borrowed money \$ and interest thereon \$		
9. Unearned premiums (after deducting unearned premiums for ceded reinsurance of \$13,201,648 and including warranty reserves of \$)	1,466,850	1,819,172
10. Advance premium	261,692	261,911
11. Dividends declared and unpaid:		
11.1 Stockholders		
11.2 Policyholders		
12. Ceded reinsurance premiums payable (net of ceding commissions)	9,514,855	11,649,213
13. Funds held by company under reinsurance treaties		
14. Amounts withheld or retained by company for account of others	150,653	593,042
15. Remittances and items not allocated		
16. Provision for reinsurance		
17. Net adjustments in assets and liabilities due to foreign exchange rates		
18. Drafts outstanding		
19. Payable to parent, subsidiaries and affiliates		
20. Payable for securities		
21. Liability for amounts held under uninsured plans		
22. Capital notes \$ and interest thereon \$		
23. Aggregate write-ins for liabilities	763,174	887,009
24. Total liabilities excluding protected cell liabilities (Lines 1 through 23)	18,381,026	24,748,212
25. Protected cell liabilities		
26. Total liabilities (Lines 24 and 25)	18,381,026	24,748,212
27. Aggregate write-ins for special surplus funds		
28. Common capital stock	2,500,000	2,500,000
29. Preferred capital stock		
30. Aggregate write-ins for other than special surplus funds		
31. Surplus notes		
32. Gross paid in and contributed surplus	25,500,000	25,500,000
33. Unassigned funds (surplus)	(1,354,687)	(3,560,718)
34. Less treasury stock, at cost:		
34.16,000 shares common (value included in Line 28 \$937,500)	12,000,000	12,000,000
34.2 shares preferred (value included in Line 29 \$)		
35. Surplus as regards policyholders (Lines 27 to 33, less 34)	14,645,313	12,439,282
36. Totals	33,026,339	37,187,494
DETAILS OF WRITE-INS		
2301. Escheat	763,174	886,961
2302. Other liabilities		48
2303.		
2398. Summary of remaining write-ins for Line 23 from overflow page		
2399. Totals (Lines 2301 through 2303 plus 2398)(Line 23 above)	763,174	887,009
2701.		
2702.		
2703.		
2798. Summary of remaining write-ins for Line 27 from overflow page		
2799. Totals (Lines 2701 through 2703 plus 2798)(Line 27 above)		
3001.		
3002.		
3003.		
3098. Summary of remaining write-ins for Line 30 from overflow page		
3099. Totals (Lines 3001 through 3003 plus 3098)(Line 30 above)		

STATEMENT OF INCOME

	1 Current Year to Date	2 Prior Year to Date	3 Prior Year Ended December 31
UNDERWRITING INCOME			
1. Premiums earned:			
1.1 Direct (written \$ 29,580,314)	33,103,534	36,580,334	74,813,679
1.2 Assumed (written \$)		(19)	(19)
1.3 Ceded (written \$ 26,622,282)	29,793,181	32,938,436	67,363,278
1.4 Net (written \$ 2,958,031)	3,310,353	3,641,879	7,450,382
DEDUCTIONS:			
2. Losses incurred (current accident year \$ 2,453,034):			
2.1 Direct	23,020,489	30,351,728	63,406,985
2.2 Assumed		(144)	(157)
2.3 Ceded	20,718,174	27,315,915	57,065,980
2.4 Net	2,302,315	3,035,668	6,340,848
3. Loss adjustment expenses incurred	322,838	423,214	951,528
4. Other underwriting expenses incurred	992,115	1,323,885	2,582,106
5. Aggregate write-ins for underwriting deductions			
6. Total underwriting deductions (Lines 2 through 5)	3,617,269	4,782,767	9,874,482
7. Net income of protected cells			
8. Net underwriting gain or (loss) (Line 1 minus Line 6 + Line 7)	(306,915)	(1,140,888)	(2,424,100)
INVESTMENT INCOME			
9. Net investment income earned	285,239	260,477	475,031
10. Net realized capital gains (losses) less capital gains tax of \$	(158)	26,167	25,810
11. Net investment gain (loss) (Lines 9 + 10)	285,081	286,644	500,842
OTHER INCOME			
12. Net gain or (loss) from agents' or premium balances charged off (amount recovered \$ 9,403 amount charged off \$ 111,452)	(102,049)	(68,216)	(156,542)
13. Finance and service charges not included in premiums	95,705	283,555	474,117
14. Aggregate write-ins for miscellaneous income	(646)		
15. Total other income (Lines 12 through 14)	(6,990)	215,339	317,575
16. Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15)	(28,825)	(638,905)	(1,605,683)
17. Dividends to policyholders			
18. Net income, after dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Line 16 minus Line 17)	(28,825)	(638,905)	(1,605,683)
19. Federal and foreign income taxes incurred	198,690	98,724	(677,774)
20. Net income (Line 18 minus Line 19)(to Line 22)	(227,514)	(737,629)	(927,910)
CAPITAL AND SURPLUS ACCOUNT			
21. Surplus as regards policyholders, December 31 prior year	12,439,282	13,580,664	13,580,664
22. Net income (from Line 20)	(227,514)	(737,629)	(927,910)
23. Net transfers (to) from Protected Cell accounts			
24. Change in net unrealized capital gains (losses) less capital gains tax of \$			
25. Change in net unrealized foreign exchange capital gain (loss)			
26. Change in net deferred income tax	207,844	609,582	69,033
27. Change in nonadmitted assets	2,225,701	(1,289,913)	(282,505)
28. Change in provision for reinsurance			
29. Change in surplus notes			
30. Surplus (contributed to) withdrawn from protected cells			
31. Cumulative effect of changes in accounting principles			
32. Capital changes:			
32.1 Paid in			
32.2 Transferred from surplus (Stock Dividend)			
32.3 Transferred to surplus			
33. Surplus adjustments:			
33.1 Paid in			
33.2 Transferred to capital (Stock Dividend)			
33.3 Transferred from capital			
34. Net remittances from or (to) Home Office			
35. Dividends to stockholders			
36. Change in treasury stock			
37. Aggregate write-ins for gains and losses in surplus			
38. Change in surplus as regards policyholders (Lines 22 through 37)	2,206,031	(1,417,960)	(1,141,382)
39. Surplus as regards policyholders, as of statement date (Lines 21 plus 38)	14,645,313	12,162,704	12,439,282
DETAILS OF WRITE-INS			
0501.			
0502.			
0503.			
0598. Summary of remaining write-ins for Line 5 from overflow page			
0599. Totals (Lines 0501 through 0503 plus 0598)(Line 5 above)			
1401. G/L disposition of fixed assets	(646)		
1402.			
1403.			
1498. Summary of remaining write-ins for Line 14 from overflow page			
1499. Totals (Lines 1401 through 1403 plus 1498)(Line 14 above)	(646)		
3701.			
3702.			
3703.			
3798. Summary of remaining write-ins for Line 37 from overflow page			
3799. Totals (Lines 3701 through 3703 plus 3798)(Line 37 above)			

CASH FLOW

	1 Current Year To Date	2 Prior Year Ended December 31
Cash from Operations		
1. Premiums collected net of reinsurance	3,945,291	7,076,769
2. Net investment income	210,579	557,047
3. Miscellaneous income	(6,990)	317,575
4. Total (Lines 1 to 3)	4,148,880	7,951,391
5. Benefit and loss related payments	2,410,230	5,350,227
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts		
7. Commissions, expenses paid and aggregate write-ins for deductions	4,521,102	2,118,804
8. Dividends paid to policyholders		
9. Federal and foreign income taxes paid (recovered) net of \$ tax on capital gains (losses)	63,451	
10. Total (Lines 5 through 9)	6,994,782	7,469,031
11. Net cash from operations (Line 4 minus Line 10)	(2,845,902)	482,361
Cash from Investments		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds	86,267	4,192,558
12.2 Stocks		
12.3 Mortgage loans		
12.4 Real estate		
12.5 Other invested assets		
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments	(2)	793
12.7 Miscellaneous proceeds		
12.8 Total investment proceeds (Lines 12.1 to 12.7)	86,265	4,193,351
13. Cost of investments acquired (long-term only):		
13.1 Bonds	5,464,526	
13.2 Stocks		
13.3 Mortgage loans		
13.4 Real estate		
13.5 Other invested assets		
13.6 Miscellaneous applications		
13.7 Total investments acquired (Lines 13.1 to 13.6)	5,464,526	
14. Net increase (or decrease) in contract loans and premium notes		
15. Net cash from investments (Line 12.8 minus Line 13.7 and Line 14)	(5,378,261)	4,193,351
Cash from Financing and Miscellaneous Sources		
16. Cash provided (applied):		
16.1 Surplus notes, capital notes		
16.2 Capital and paid in surplus, less treasury stock		
16.3 Borrowed funds		
16.4 Net deposits on deposit-type contracts and other insurance liabilities		
16.5 Dividends to stockholders		
16.6 Other cash provided (applied)	7,357,340	(2,833,518)
17. Net cash from financing and miscellaneous sources (Line 16.1 through Line 16.4 minus Line 16.5 plus Line 16.6)	7,357,340	(2,833,518)
RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS		
18. Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17)	(866,822)	1,842,194
19. Cash, cash equivalents and short-term investments:		
19.1 Beginning of year	5,468,505	3,626,311
19.2 End of period (Line 18 plus Line 19.1)	4,601,683	5,468,505

Note: Supplemental disclosures of cash flow information for non-cash transactions:

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STATEMENT AS OF JUNE 30, 2009 OF THE Unitrin Direct Insurance Company

NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies:

A. The accompanying financial statements of Unitrin Direct Insurance Company have been prepared in conformity with the NAIC Annual Statement Instructions and Accounting Practices and Procedures manual and the laws of the State of Illinois.

The Illinois Department of Insurance recognizes only statutory accounting practices prescribed or permitted by the state of Illinois for determining and reporting the financial condition and results of operations of an insurance company, for determining its solvency under the Illinois Insurance Law. The National Association of Insurance Commissioners' ("NAIC") *Accounting Practices and Procedures* manual, ("NAIC SAP") has been adopted as a component of prescribed or permitted practices by the state of Illinois. The Company has not adopted prescribed accounting practices that differ from those found in NAIC SAP.

2. Accounting Changes and Corrections of Error:	No material or significant change.
3. Business Combinations and Goodwill:	No material or significant change.
4. Discontinued Operations:	No material or significant change.
5. Investments:	No material or significant change.
6. Joint Ventures, Partnerships and Limited Liabilities:	No material or significant change.
7. Investment Income:	No material or significant change.
8. Derivative Instruments:	No material or significant change.
9. Federal Income Taxes:	No material or significant change.
10. Information Concerning Parent, Subsidiaries and Affiliates:	No material or significant change.
11. Debt:	No material or significant change.

12. Retirement Plans, Deferred Compensation, Post Employment Benefits and Compensated Absences and Other Postretirement Benefit Plans:

Unitrin Auto and Home Insurance Company (UAHIC) and Kemper Independence Insurance Company (KIIC)'s employees as of year-end 2008 became employees of Merastar Insurance Company (Merastar) and Unitrin Direct Property & Casualty Company (UDPC) effective January 1, 2009. UAHIC and KIIC are affiliates of Merastar and UDPC.

The Company participates in a qualified, noncontributory defined benefit pension plan, sponsored by its ultimate parent company, Unitrin, Inc. The Company's share of net expense for the pension plan was \$0 for the six months ended June 30, 2009. In addition, the Company participates in a qualified defined contribution 401(k) plan sponsored by Unitrin, Inc. Net expense for the 401(k) plan recognized by the Company was \$0 for the six months ended June 30, 2009.

13. Capital and Surplus, Dividend Restrictions and Quasi-Reorganizations:	No material or significant change.
14. Contingencies:	No material or significant change.
15. Leases:	No material or significant change.
16. Information about Financial Instruments with Off-Balance Sheet Risk and Financial Instruments with Concentrations of Credit Risk:	No material or significant change.

17. Sale, Transfer and Servicing of Financial Asset and Extinguishments of Liabilities:

C. The Company did not have any wash sales.

18. Gain or Loss to the Reporting Entity from Uninsured A&H Plans and the Uninsured portion of Partially Insured Plans:	No material or significant change.
19. Direct Premium Written/Produced by Managing General Agents/Third Party Administrators:	No material or significant change.
20. Other Items:	No material or significant change.
21. Events Subsequent:	No material or significant change.
22. Reinsurance:	No material or significant change.
23. Retrospectively Rated Contracts & Contracts Subject to Re-determination:	No material or significant change.
24. Change in Incurred Losses and Loss Adjustment Expenses:	No material or significant change.

Property and casualty insurance reserves are estimates based on historical experience patterns and current economic trends. Actual loss experience and loss trends are likely to differ from these historical experience patterns and economic conditions. Loss experience and loss trends emerge over several years from the dates of loss inception. The Company monitors such emerging loss trends. Upon concluding, based on the data available, that an emerging loss trend will continue, the Company adjusts its property and casualty insurance reserves to reflect such trend. These changes in loss trend are reflected in the results of the period of change and included in Schedule P. The business to which this development relates is not retrospectively rated; therefore, they are not subject to premium adjustments.

25. Intercompany Pooling Arrangements:	No material or significant change.
26. Structured Settlements:	No material or significant change.
27. Health Care Receivables:	No material or significant change.
28. Participating Policies:	No material or significant change.
29. Premium Deficiency Reserves:	No material or significant change.
30. High Deductible:	No material or significant change.
31. Discounting of Liabilities for Unpaid Losses or Unpaid Loss Adjustment Expenses:	No material or significant change.
32. Asbestos/Environmental Reserves:	No material or significant change.
33. Subscriber Savings Accounts:	No material or significant change.
34. Multiple Peril Crop:	No material or significant change.

GENERAL INTERROGATORIES

(Responses to these interrogatories should be based on changes that have occurred since the prior year end unless otherwise noted)

PART 1 - COMMON INTERROGATORIES
GENERAL

- 1.1

Did the reporting entity experience any material transactions requiring the filing of Disclosure of Material Transactions with the State of Domicile, as required by the Model Act?

Yes [☐] No [☒]
- 1.2

If yes, has the report been filed with the domiciliary state?

Yes [☐] No [☐]
- 2.1

Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity?

Yes [☐] No [☒]
- 2.2

If yes, date of change:
3.

Have there been any substantial changes in the organizational chart since the prior quarter end?

Yes [☒] No [☐]

If yes, complete the Schedule Y - Part 1 - organizational chart.
- 4.1

Has the reporting entity been a party to a merger or consolidation during the period covered by this statement?

Yes [☐] No [☒]
- 4.2

If yes, provide the name of the entity, NAIC Company Code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

1 Name of Entity	2 NAIC Company Code	3 State of Domicile
.....
.....
.....

5.

If the reporting entity is subject to a management agreement, including third-party administrator(s), managing general agent(s), attorney-in-fact, or similar agreement, have there been any significant changes regarding the terms of the agreement or principals involved?

Yes [☐] No [☒] N/A [☐]

If yes, attach an explanation.
- 6.1

State as of what date the latest financial examination of the reporting entity was made or is being made.

12/31/2005
- 6.2

State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released.

12/31/2005
- 6.3

State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date).

05/14/2007
- 6.4

By what department or departments?
Illinois Department of Insurance
- 6.5

Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with Departments?

Yes [☒] No [☐] N/A [☐]
- 6.6

Have all of the recommendations within the latest financial examination report been complied with?

Yes [☒] No [☐] N/A [☐]
- 7.1

Has this reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period?

Yes [☐] No [☒]
- 7.2

If yes, give full information:
- 8.1

Is the company a subsidiary of a bank holding company regulated by the Federal Reserve Board?

Yes [☐] No [☒]
- 8.2

If response to 8.1 is yes, please identify the name of the bank holding company.
- 8.3

Is the company affiliated with one or more banks, thrifts or securities firms?

Yes [☒] No [☐]
- 8.4

If response to 8.3 is yes, please provide below the names and location (city and state of the main office) of any affiliates regulated by a federal regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Office of Thrift Supervision (OTS), the Federal Deposit Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC)] and identify the affiliate's primary federal regulator.

1 Affiliate Name	2 Location (City, State)	3 FRB	4 OCC	5 OTS	6 FDIC	7 SEC
Fireside Bank	Pleasanton, CA				YES	
.....					
.....					

STATEMENT AS OF JUNE 30, 2009 OF THE Unitrin Direct Insurance Company

GENERAL INTERROGATORIES

- 9.1

Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards?
(a) Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
(b) Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;
(c) Compliance with applicable governmental laws, rules and regulations;
(d) The prompt internal reporting of violations to an appropriate person or persons identified in the code; and
(e) Accountability for adherence to the code.

Yes [X] No []
- 9.11

If the response to 9.1 is No, please explain:
- 9.2

Has the code of ethics for senior managers been amended?

Yes [] No [X]
- 9.21

If the response to 9.2 is Yes, provide information related to amendment(s).
- 9.3

Have any provisions of the code of ethics been waived for any of the specified officers?

Yes [] No [X]
- 9.31

If the response to 9.3 is Yes, provide the nature of any waiver(s).

FINANCIAL

- 10.1

Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement?

Yes [X] No []
- 10.2

If yes, indicate any amounts receivable from parent included in the Page 2 amount:\$.....

2,340,984

INVESTMENT

- 11.1

Were any of the stocks, bonds, or other assets of the reporting entity loaned, placed under option agreement, or otherwise made available for use by another person? (Exclude securities under securities lending agreements.)

Yes [] No [X]
- 11.2

If yes, give full and complete information relating thereto:
12.

Amount of real estate and mortgages held in other invested assets in Schedule BA:

\$.....
13.

Amount of real estate and mortgages held in short-term investments:

\$.....
- 14.1

Does the reporting entity have any investments in parent, subsidiaries and affiliates?

Yes [] No [X]
- 14.2

If yes, please complete the following:
- | | 1 | 2 |
|-------|--|--|
| | Prior Year-End
Book/Adjusted
Carrying Value | Current Quarter
Book/Adjusted
Carrying Value |
| 14.21 | Bonds\$..... | \$..... |
| 14.22 | Preferred Stock\$..... | \$..... |
| 14.23 | Common Stock\$..... | \$..... |
| 14.24 | Short-Term Investments\$..... | \$..... |
| 14.25 | Mortgage Loans on Real Estate\$..... | \$..... |
| 14.26 | All Other\$..... | \$..... |
| 14.27 | Total Investment in Parent, Subsidiaries and Affiliates (Subtotal Lines 14.21 to 14.26)\$..... | \$..... |
| 14.28 | Total Investment in Parent included in Lines 14.21 to 14.26 above\$..... | \$..... |
- 15.1

Has the reporting entity entered into any hedging transactions reported on Schedule DB?

Yes [] No [X]
- 15.2

If yes, has a comprehensive description of the hedging program been made available to the domiciliary state?

Yes [] No []
- If no, attach a description with this statement.

STATEMENT AS OF JUNE 30, 2009 OF THE Unitrin Direct Insurance Company

GENERAL INTERROGATORIES

16. Excluding items in Schedule E - Part 3 – Special Deposits, real estate, mortgage loans and investments held physically in the reporting entity's offices, vaults or safety deposit boxes, were all stocks, bonds and other securities, owned throughout the current year held pursuant to a custodial agreement with a qualified bank or trust company in accordance with Section 3, III Conducting Examinations, E - Custodial or Safekeeping Agreements of the NAIC Financial Condition Examiners Handbook? Yes [X] No []
- 16.1 For all agreements that comply with the requirements of the NAIC Financial Condition Examiners Handbook, complete the following:

1 Name of Custodian(s)	2 Custodian Address
BNY Midwest Trust Company	209 W. Jackson Blvd., Suite 800, Chicago, IL 60606

- 16.2 For all agreements that do not comply with the requirements of the NAIC Financial Condition Examiners Handbook, provide the name, location and a complete explanation:

1 Name(s)	2 Location(s)	3 Complete Explanation(s)
.....
.....

- 16.3 Have there been any changes, including name changes, in the custodian(s) identified in 16.1 during the current quarter? Yes [] No [X]
- 16.4 If yes, give full information relating thereto:

1 Old Custodian	2 New Custodian	3 Date of Change	4 Reason
.....
.....

- 16.5 Identify all investment advisors, brokers/dealers or individuals acting on behalf of broker/dealers that have access to the investment accounts, handle securities and have authority to make investments on behalf of the reporting entity:

1 Central Registration Depository	2 Name(s)	3 Address
.....
.....

- 17.1 Have all the filing requirements of the Purposes and Procedures Manual of the NAIC Securities Valuation Office been followed? Yes [X] No []
- 17.2 If no, list exceptions:

GENERAL INTERROGATORIES

PART 2 - PROPERTY & CASUALTY INTERROGATORIES

1.

If the reporting entity is a member of a pooling arrangement, did the agreement or the reporting entity's participation change?
If yes, attach an explanation.

Yes [] No [X] N/A []
2.

Has the reporting entity reinsured any risk with any other reporting entity and agreed to release such entity from liability, in whole or in part, from any loss that may occur on the risk, or portion thereof, reinsured?
If yes, attach an explanation.

Yes [] No [X]
- 3.1

Have any of the reporting entity's primary reinsurance contracts been canceled?

Yes [] No [X]
- 3.2

If yes, give full and complete information thereto.
- 4.1

Are any of the liabilities for unpaid losses and loss adjustment expenses other than certain workers' compensation tabular reserves (see Annual Statement Instructions pertaining to disclosure of discounting for definition of " tabular reserves") discounted at a rate of interest greater than zero?

Yes [] No [X]

4.2 If yes, complete the following schedule:

			TOTAL DISCOUNT				DISCOUNT TAKEN DURING PERIOD			
1	2	3	4	5	6	7	8	9	10	11
Line of Business	Maximum Interest	Discount Rate	Unpaid Losses	Unpaid LAE	IBNR	TOTAL	Unpaid Losses	Unpaid LAE	IBNR	TOTAL
TOTAL										

STATEMENT AS OF JUNE 30, 2009 OF THE Unitrin Direct Insurance Company

SCHEDULE F - CEDED REINSURANCE

Showing all new reinsurers - Current Year to Date

1 NAIC Company Code	2 Federal ID Number	3 Name of Reinsurer	4 Location	5 Is Insurer Authorized? (Yes or No)
		NONE		

STATEMENT AS OF JUNE 30, 2009 OF THE Unitrin Direct Insurance Company

SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN

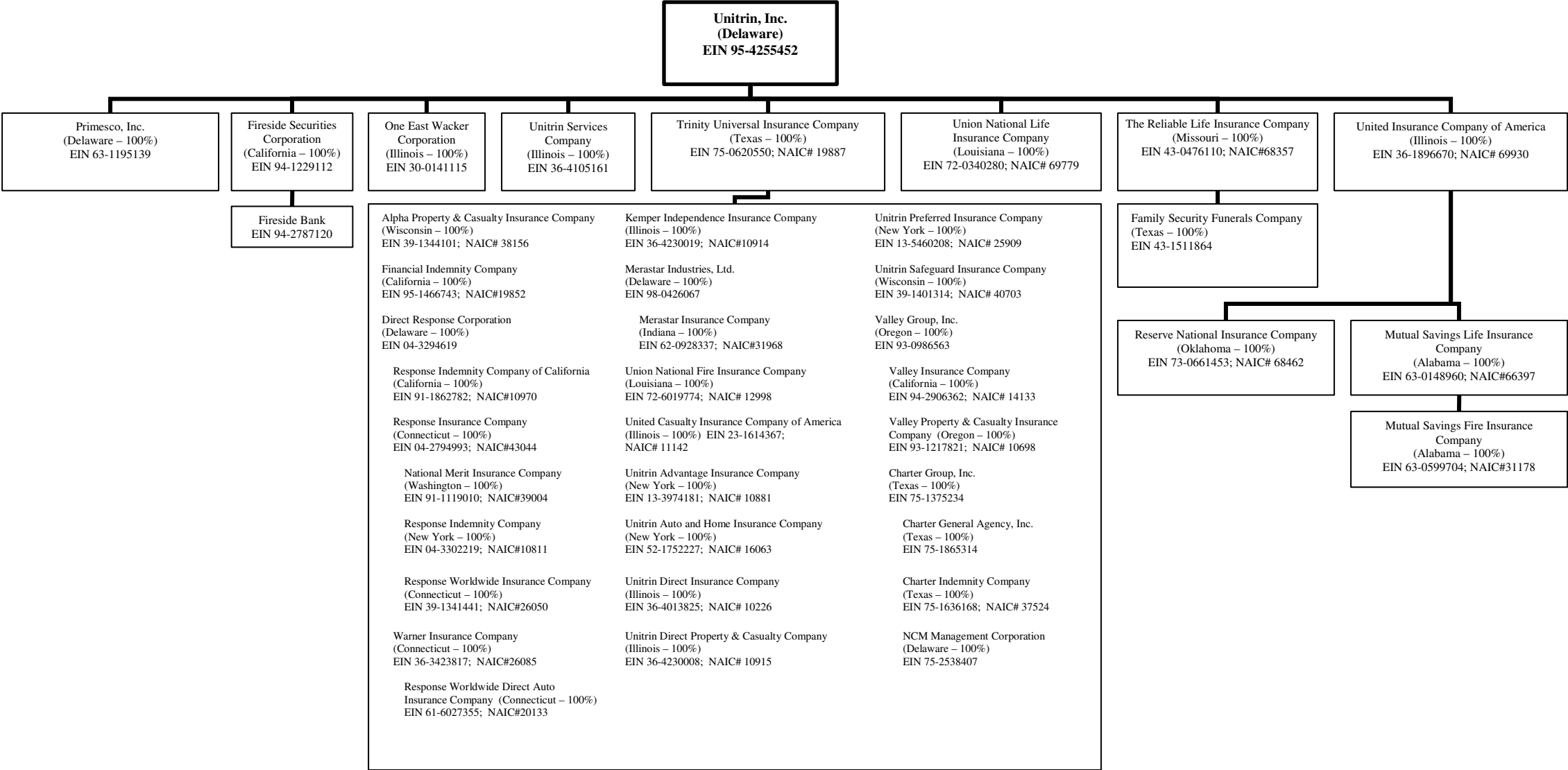
Current Year to Date - Allocated by States and Territories							
States, etc.	1 Active Status	Direct Premiums Written		Direct Losses Paid (Deducting Salvage)		Direct Losses Unpaid	
		2 Current Year To Date	3 Prior Year To Date	4 Current Year To Date	5 Prior Year To Date	6 Current Year To Date	7 Prior Year To Date
1. Alabama AL	N						
2. Alaska AK	N						
3. Arizona AZ	L			(305)	74,588	15,953	21,180
4. Arkansas AR	N						
5. California CA	L	14,030,053	17,267,177	9,595,491	12,725,348	11,782,785	12,147,090
6. Colorado CO	N						
7. Connecticut CT	L						
8. Delaware DE	N						
9. District of Columbia DC	N						
10. Florida FL	N						
11. Georgia GA	N						
12. Hawaii HI	N						
13. Idaho ID	N						
14. Illinois IL	L	339,910	477,960	202,162	249,017	344,421	209,976
15. Indiana IN	L						
16. Iowa IA	L	360,797	530,137	416,142	240,011	714,155	546,508
17. Kansas KS	N						
18. Kentucky KY	L						
19. Louisiana LA	N						
20. Maine ME	N						
21. Maryland MD	L	3,197,235	5,291,677	2,624,328	4,286,279	3,589,278	3,865,287
22. Massachusetts MA	N						
23. Michigan MI	L			166,656	(6,703)	(109,522)	214,043
24. Minnesota MN	N						
25. Mississippi MS	N						
26. Missouri MO	L						
27. Montana MT	N						
28. Nebraska NE	N						
29. Nevada NV	L						
30. New Hampshire NH	N						
31. New Jersey NJ	L	5,661,524	7,113,198	4,081,468	3,116,091	9,156,381	6,515,657
32. New Mexico NM	N						
33. New York NY	L	4,449,535	6,756,604	5,646,561	5,555,298	10,289,001	7,548,740
34. North Carolina NC	N						
35. North Dakota ND	N						
36. Ohio OH	L						
37. Oklahoma OK	N						
38. Oregon OR	L						
39. Pennsylvania PA	L	60,287	15,127	306,160	403,290	577,053	829,593
40. Rhode Island RI	N						
41. South Carolina SC	N						
42. South Dakota SD	N						
43. Tennessee TN	N						
44. Texas TX	L	1,480,973	899,722	1,060,958	78,143	811,263	79,666
45. Utah UT	N						
46. Vermont VT	N						
47. Virginia VA	L						
48. Washington WA	N						
49. West Virginia WV	N						
50. Wisconsin WI	L						
51. Wyoming WY	N						
52. American Samoa AS	N						
53. Guam GU	N						
54. Puerto Rico PR	N						
55. U.S. Virgin Islands VI	N						
56. Northern Mariana Islands MP	N						
57. Canada CN	N						
58. Aggregate Other Alien OT	XXX						
59. Totals	(a) 19	29,580,314	38,351,602	24,099,623	26,721,362	37,170,768	31,977,740
DETAILS OF WRITE-INS							
5801.	XXX						
5802.	XXX						
5803.	XXX						
5898. Summary of remaining write-ins for Line 58 from overflow page	XXX						
5899. Totals (Lines 5801 through 5803 plus 5898)(Line 58 above)	XXX						

(a) Insert the number of L responses except for Canada and Other Alien.
Auto premiums are reported in the state of the insured's current primary residence.

STATEMENT AS OF JUNE 30, 2009 OF THE Unitrin Direct Insurance Company

SCHEDULE Y – INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP

PART 1 – ORGANIZATIONAL CHART



Unitrin County Mutual Insurance Company (NAIC# 29351, domiciled in the state of Texas) is affiliated with NCM Management Corp. by virtue of a management agreement. Capitol County Mutual Fire Insurance Company (NAIC# 29211, domiciled in the state of Texas) is affiliated with The Reliable Life Insurance Company by virtue of a management agreement. Old Reliable Casualty Company (NAIC# 36625, domiciled in the state of Missouri) is affiliated with Trinity Universal Insurance Company by virtue of its affiliation with Capitol County Mutual Fire Insurance Company.

PART 1 - LOSS EXPERIENCE

Line of Business		Current Year to Date			4 Prior Year to Date Direct Loss Percentage
		1 Direct Premiums Earned	2 Direct Losses Incurred	3 Direct Loss Percentage	
1.	Fire				
2.	Allied Lines				
3.	Farmowners multiple peril				
4.	Homeowners multiple peril	48,655	9,690	19.9	(1.3)
5.	Commercial multiple peril				
6.	Mortgage guaranty				
8.	Ocean marine				
9.	Inland marine	1,265			
10.	Financial guaranty				
11.1	Medical professional liability - occurrence				
11.2	Medical professional liability - claims-made				
12.	Earthquake				
13.	Group accident and health				
14.	Credit accident and health				
15.	Other accident and health				
16.	Workers' compensation				
17.1	Other liability - occurrence				
17.2	Other liability - claims-made				
18.1	Products liability - occurrence				
18.2	Products liability - claims-made				
19.1,19.2	Private passenger auto liability	20,784,190	15,246,511	73.4	87.3
19.3,19.4	Commercial auto liability				
21.	Auto physical damage	12,269,425	7,764,287	63.3	75.8
22.	Aircraft (all perils)				
23.	Fidelity				
24.	Surety				
26.	Burglary and theft				
27.	Boiler and machinery				
28.	Credit				
29.	International				
30.	Warranty				
31.	Reinsurance - Nonproportional Assumed Property	XXX	XXX	XXX	XXX
32.	Reinsurance - Nonproportional Assumed Liability	XXX	XXX	XXX	XXX
33.	Reinsurance - Nonproportional Assumed Financial Lines	XXX	XXX	XXX	XXX
34.	Aggregate write-ins for other lines of business				
35.	Totals	33,103,534	23,020,489	69.5	83.0
DETAILS OF WRITE-INS					
3401.				
3402.				
3403.				
3498.	Summary of remaining write-ins for Line 34 from overflow page				
3499.	Totals (Lines 3401 through 3403 plus 3498)(Line 34 above)				

PART 2 - DIRECT PREMIUMS WRITTEN

Line of Business		1	2	3
		Current Quarter	Current Year to Date	Prior Year Year to Date
1.	Fire			
2.	Allied Lines			
3.	Farmowners multiple peril			
4.	Homeowners multiple peril	48,545	77,921	15,401
5.	Commercial multiple peril			
6.	Mortgage guaranty			
8.	Ocean marine			
9.	Inland marine	1,476	2,012	803
10.	Financial guaranty			
11.1	Medical professional liability - occurrence			
11.2	Medical professional liability - claims-made			
12.	Earthquake			
13.	Group accident and health			
14.	Credit accident and health			
15.	Other accident and health			
16.	Workers' compensation			
17.1	Other liability - occurrence			
17.2	Other liability - claims-made			
18.1	Products liability - occurrence			
18.2	Products liability - claims-made			
19.1,19.2	Private passenger auto liability	8,410,606	18,584,087	24,058,433
19.3,19.4	Commercial auto liability			
21.	Auto physical damage	4,866,602	10,916,293	14,276,965
22.	Aircraft (all perils)			
23.	Fidelity			
24.	Surety			
26.	Burglary and theft			
27.	Boiler and machinery			
28.	Credit			
29.	International			
30.	Warranty			
31.	Reinsurance - Nonproportional Assumed Property	XXX	XXX	XXX
32.	Reinsurance - Nonproportional Assumed Liability	XXX	XXX	XXX
33.	Reinsurance - Nonproportional Assumed Financial Lines	XXX	XXX	XXX
34.	Aggregate write-ins for other lines of business			
35.	Totals	13,327,228	29,580,314	38,351,602
DETAILS OF WRITE-INS				
3401.			
3402.			
3403.			
3498.	Summary of remaining write-ins for Line 34 from overflow page			
3499.	Totals (Lines 3401 through 3403 plus 3498)(Line 34 above)			

STATEMENT AS OF JUNE 30, 2009 OF THE Unitrin Direct Insurance Company

PART 3 (000 omitted)

LOSS AND LOSS ADJUSTMENT EXPENSE RESERVES SCHEDULE

	1	2	3	4	5	6	7	8	9	10	11	12	13
Years in Which Losses Occurred	Prior Year-End Known Case Loss and LAE Reserves	Prior Year- End IBNR Loss and LAE Reserves	Total Prior Year-End Loss and LAE Reserves (Cols. 1+2)	2009 Loss and LAE Payments on Claims Reported as of Prior Year-End	2009 Loss and LAE Payments on Claims Unreported as of Prior Year-End	Total 2009 Loss and LAE Payments (Cols. 4+5)	Q.S. Date Known Case Loss and LAE Reserves on Claims Reported and Open as of Prior Year End	Q.S. Date Known Case Loss and LAE Reserves on Claims Reported or Reopened Subsequent to Prior Year End	Q.S. Date IBNR Loss and LAE Reserves	Total Q.S. Loss and LAE Reserves (Cols.7+8+9)	Prior Year-End Known Case Loss and LAE Reserves Developed (Savings)/ Deficiency (Cols.4+7 minus Col. 1)	Prior Year-End IBNR Loss and LAE Reserves Developed (Savings)/ Deficiency (Cols. 5+8+9 minus Col. 2)	Prior Year-End Total Loss and LAE Reserve Developed (Savings)/ Deficiency (Cols. 11+12)
1. 2006 + Prior	349	335	684	204		204	224		220	444	79	(116)	(37)
2. 2007	453	451	904	173		173	336	5	349	690	55	(96)	(41)
3. Subtotals 2007 + Prior	802	786	1,589	376		377	560	5	569	1,134	134	(212)	(78)
4. 2008	1,922	985	2,907	1,010	47	1,057	1,017	72	652	1,741	106	(215)	(109)
5. Subtotals 2008 + Prior	2,724	1,771	4,496	1,386	47	1,434	1,578	77	1,221	2,876	240	(427)	(187)
6. 2009	XXX	XXX	XXX	XXX	1,299	1,299	XXX	980	533	1,513	XXX	XXX	XXX
7. Totals	2,724	1,771	4,496	1,386	1,346	2,732	1,578	1,057	1,754	4,389	240	(427)	(187)
8. Prior Year-End Surplus As Regards Policyholders	12,439										Col. 11, Line 7 As % of Col. 1 Line 7	Col. 12, Line 7 As % of Col. 2 Line 7	Col. 13, Line 7 As % of Col. 3 Line 7
											1. 8.8	2. (24.1)	3. (4.2)
													Col. 13, Line 7 As a % of Col. 1 Line 8 4. (1.5)

SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

The following supplemental reports are required to be filed as part of your statement filing. However, in the event that your company does not transact the type of business for which the special report must be filed, your response of NO to the specific interrogatory will be accepted in lieu of filing a "NONE" report and a bar code will be printed below. If the supplement is required of your company but is not being filed for whatever reason enter SEE EXPLANATION and provide an explanation following the interrogatory questions.

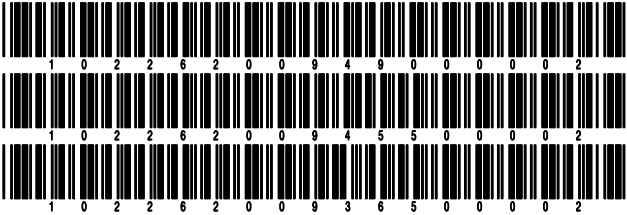
	Response
1. Will the Trusteed Surplus Statement be filed with the state of domicile and the NAIC with this statement?	NO
2. Will Supplement A to Schedule T (Medical Professional Liability Supplement) be filed with this statement?	NO
3. Will the Medicare Part D Coverage Supplement be filed with the state of domicile and the NAIC with this statement?	NO

Explanations:

- 1.
- 2.
- 3.

Bar Codes:

- 1. Trusteed Surplus Statement [Document Identifier 490]
- 2. Supplement A to Schedule T [Document Identifier 455]
- 3. Medicare Part D Coverage Supplement [Document Identifier 365]



OVERFLOW PAGE FOR WRITE-INS

SCHEDULE A - VERIFICATION

Real Estate

	1 Year to Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year		
2. Cost of acquired:		
2.1 Actual cost at time of acquisition		
2.2 Additional investment made after acquisition		
3. Current year change in encumbrances		
4. Total gain (loss) on disposals		
5. Deduct amounts received on disposals		
6. Total foreign exchange change in book/adjusted carrying value		
7. Deduct current year's other than temporary impairment recognized		
8. Deduct current year's depreciation		
9. Book/adjusted carrying value at the end of current period (Lines 1+2+3+4-5+6-7-8)		
10. Deduct total nonadmitted amounts		
11. Statement value at end of current period (Line 9 minus Line 10)		

SCHEDULE B - VERIFICATION

Mortgage Loans

	1 Year to Date	2 Prior Year Ended December 31
1. Book value/recorded investment excluding accrued interest, December 31 of prior year		
2. Cost of acquired:		
2.1 Actual cost at time of acquisition		
2.2 Additional investment made after acquisition		
3. Capitalized deferred interest and other		
4. Accrual of discount		
5. Unrealized valuation increase (decrease)		
6. Total gain (loss) on disposals		
7. Deduct amounts received on disposals		
8. Deduct amortization of premium and mortgage interest points and commitment fees		
9. Total foreign exchange change in book value/recorded investment excluding accrued interest		
10. Deduct current year's other than temporary impairment recognized		
11. Book value/recorded investment excluding accrued interest at end of current period (Lines 1+2+3+4+5+6-7-8+9-10)		
12. Total valuation allowance		
13. Subtotal (Line 11 plus Line 12)		
14. Deduct total nonadmitted amounts		
15. Statement value at end of current period (Line 13 minus Line 14)		

SCHEDULE BA - VERIFICATION

Other Long-Term Invested Assets

	1 Year to Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year		
2. Cost of acquired:		
2.1 Actual cost at time of acquisition		
2.2 Additional investment made after acquisition		
3. Capitalized deferred interest and other		
4. Accrual of discount		
5. Unrealized valuation increase (decrease)		
6. Total gain (loss) on disposals		
7. Deduct amounts received on disposals		
8. Deduct amortization of premium and depreciation		
9. Total foreign exchange change in book/adjusted carrying value		
10. Deduct current year's other than temporary impairment recognized		
11. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5+6-7-8+9-10)		
12. Deduct total nonadmitted amounts		
13. Statement value at end of current period (Line 11 minus Line 12)		

SCHEDULE D - VERIFICATION

Bonds and Stocks

	1 Year to Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value of bonds and stocks, December 31 of prior year	8,306,181	12,474,019
2. Cost of bonds and stocks acquired	5,464,526	
3. Accrual of discount	890	1,933
4. Unrealized valuation increase (decrease)		
5. Total gain (loss) on disposals		39,616
6. Deduct consideration for bonds and stocks disposed of	86,267	4,192,558
7. Deduct amortization of premium	6,701	16,829
8. Total foreign exchange change in book/adjusted carrying value		
9. Deduct current year's other than temporary impairment recognized		
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9)	13,678,629	8,306,181
11. Deduct total nonadmitted amounts		
12. Statement value at end of current period (Line 10 minus Line 11)	13,678,629	8,306,181

SCHEDULE D - PART 1B

Showing the Acquisitions, Dispositions and Non-Trading Activity
During the Current Quarter for all Bonds and Preferred Stock by Rating Class

	1 Book/Adjusted Carrying Value Beginning of Current Quarter	2 Acquisitions During Current Quarter	3 Dispositions During Current Quarter	4 Non-Trading Activity During Current Quarter	5 Book/Adjusted Carrying Value End of First Quarter	6 Book/Adjusted Carrying Value End of Second Quarter	7 Book/Adjusted Carrying Value End of Third Quarter	8 Book/Adjusted Carrying Value December 31 Prior Year
BONDS								
1. Class 1 (a)	18,906,662	22,021,091	24,946,790	(1,002,341)	18,906,662	14,978,622		12,306,181
2. Class 2 (a)				1,000,000		1,000,000		
3. Class 3 (a)								
4. Class 4 (a)								
5. Class 5 (a)								
6. Class 6 (a)								
7. Total Bonds	18,906,662	22,021,091	24,946,790	(2,341)	18,906,662	15,978,622		12,306,181
PREFERRED STOCK								
8. Class 1								
9. Class 2								
10. Class 3								
11. Class 4								
12. Class 5								
13. Class 6								
14. Total Preferred Stock								
15. Total Bonds and Preferred Stock	18,906,662	22,021,091	24,946,790	(2,341)	18,906,662	15,978,622		12,306,181

(a) Book/Adjusted Carrying Value column for the end of the current reporting period includes the following amount of non-rated short-term and cash equivalent bonds by NAIC designation: NAIC 1 \$; NAIC 2 \$; NAIC 3 \$;
NAIC 4 \$; NAIC 5 \$; NAIC 6 \$

Schedule DA - Part 1 - Short-Term Investments
N O N E

Schedule DA - Verification - Short-Term Investments
N O N E

Schedule DB - Part F - Section 1 - Replicated (Synthetic) Assets Open
N O N E

Schedule DB - Part F - Section 2 - Reconciliation of Replicated (Synthetic) Assets Open
N O N E

SCHEDULE E - VERIFICATION

Cash Equivalents

	1	2
	Year To Date	Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year	4,000,000	479,931
2. Cost of cash equivalents acquired	64,997,325	71,470,264
3. Accrual of discount	2,499	25,830
4. Unrealized valuation increase (decrease)		
5. Total gain (loss) on disposals	(2)	793
6. Deduct consideration received on disposals	66,699,830	67,976,818
7. Deduct amortization of premium		
8. Total foreign exchange change in book/adjusted carrying value		
9. Deduct current year's other than temporary impairment recognized		
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9)	2,299,993	4,000,000
11. Deduct total nonadmitted amounts		
12. Statement value at end of current period (Line 10 minus Line 11)	2,299,993	4,000,000

Schedule A - Part 2 - Real Estate Acquired and Additions Made
N O N E

Schedule A - Part 3 - Real Estate Disposed
N O N E

Schedule B - Part 2 - Mortgage Loans Acquired
N O N E

Schedule B - Part 3 - Mortgage Loans Disposed, Transferred or Repaid
N O N E

Schedule BA - Part 2 - Other Long-Term Invested Assets Acquired
N O N E

Schedule BA - Part 3 - Other Long-Term Invested Assets Disposed, Transferred or Repaid
N O N E

STATEMENT AS OF JUNE 30, 2009 OF THE Unitrin Direct Insurance Company

SCHEDULE D - PART 3

Show All Long-Term Bonds and Stock Acquired During the Current Quarter

[illegible]

(a) For all common stock bearing the NAIC market indicator "U" provide: the number of such issues

STATEMENT AS OF JUNE 30, 2009 OF THE Unitrin Direct Insurance Company

SCHEDULE D - PART 4

Show All Long-Term Bonds and Stock Sold, Redeemed or Otherwise Disposed of During the Current Quarter

1	2	3	4	5	6	7	8	9	10	Change In Book/Adjusted Carrying Value					16	17	18	19	20	21	22
										11	12	13	14	15							
CUSIP Ident- ification	Description	For- eign	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consid- eration	Par Value	Actual Cost	Prior Year Book/ Adjusted Carrying Value	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amor- tization)/ Accretion	Current Year's Other Than Temporary Impairment Recogn- ized	Total Change in Book/ Adjusted Carrying Value (11 + 12 - 13)	Total Foreign Exchange Change in Book /Adjusted Carrying Value	Book/ Adjusted Carrying Value at Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest/ Stock Dividends Received During Year	Maturity Date	NAIC Desig- nation or Market In- dicator (a)
31371P-W5-5	FANNIE MAE - COIN		06/01/2009	MBS PAYDOWN		18,002	18,002	17,966	18,002						18,002				304	10/01/2034	1
31371Q-CS-5	FANNIE MAE PASS THROUGH COIN		06/01/2009	MBS PAYDOWN		33,646	33,646	33,384	33,643		4		4		33,646				579	09/01/2035	1
31371Q-QR-2	FANNIE MAE PASS THROUGH COIN		06/01/2009	MBS PAYDOWN		5,236	5,236	5,263	5,239		(3)		(3)		5,236				156	10/01/2036	1
3199999. Bonds - U.S. Special Revenues						56,884	56,884	56,613	56,884		1		1		56,884				1,039	XXX	XXX
8399997. Total - Bonds - Part 4						56,884	56,884	56,613	56,884		1		1		56,884				1,039	XXX	XXX
8399998. Total - Bonds - Part 5						XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
8399999. Total - Bonds						56,884	56,884	56,613	56,884		1		1		56,884				1,039	XXX	XXX
8999997. Total - Preferred Stocks - Part 4							XXX													XXX	XXX
8999998. Total - Preferred Stocks - Part 5						XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
8999999. Total - Preferred Stocks							XXX													XXX	XXX
9799997. Total - Common Stocks - Part 4							XXX													XXX	XXX
9799998. Total - Common Stocks - Part 5						XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
9799999. Total - Common Stocks							XXX													XXX	XXX
9899999. Total - Preferred and Common Stocks							XXX													XXX	XXX
9999999 - Totals						56,884	XXX	56,613	56,884		1		1		56,884				1,039	XXX	XXX

(a) For all common stock bearing the NAIC market indicator "U" provide: the number of such issues.....

Schedule DB - Part A - Section 1 - Options, Caps, Floors and Insurance Futures Options Owned

N O N E

Schedule DB - Part B - Section 1 - Options, Caps, Floors and Insurance Futures Options Written and
In Force

N O N E

Schedule DB - Part C - Section 1 - Collar, Swap and Forwards Open

N O N E

Schedule DB - Part D - Section 1 - Futures Contracts and Insurance Futures Contracts Open

N O N E

SCHEDULE E - PART 1 - CASH

[illegible]

STATEMENT AS OF JUNE 30, 2009 OF THE Unitrin Direct Insurance Company

SCHEDULE E - PART 2 - CASH EQUIVALENTS

Show Investments Owned End of Current Quarter

[illegible]